

NSC BRIEFING

1 October 1958

MIDDLE EAST

LEBANON

I. President Shihab will call special session of parliament next week to seek vote of confidence for Karame cabinet.

A. Shihab has threatened to dissolve chamber, which is dominated by Chamoun supporters, if support not forthcoming.

1. Dissolution would require elections within three months.

Results, with Karame in control, would be anti-Chamoun.

B. General also shows interest in suspending legislature for six months to rule without interference.

C. All seven ministers proposed by Karame for membership in cabinet opposed Chamoun's pro-Western foreign policy.

Four of seven sided with rebels during summer rebellion.

1. two cabinet candidates, anti-Chamoun Maronite Christians, may resign. This could open way for political compromise or lead to sharper Christian-Muslim strife if acceptable Christian substitutes are not named.

Me Clintock
proposal to
enlarge cabinet
turned down by
Karame.

JORDAN

II. Extensive political maneuvering by military and civilian leaders in Jordan continues.

State Department review completed

A. Prime Minister Rifai feels reluctant to take strong action against leaders of plotting against government, and only junior figures are to be arrested in new roundup of security suspects.

B. New rumors spreading in Jordan that King Husayn is considering bringing opposition representatives into a compromise government.

C. Nasir-run "Jordanian People's Radio," has continued unusually fierce exhortations to overthrow pro-Western government in Jordan.

D. Has called Husayn "adulterer of Jordan reconnoitering escape route over Israel." Rifai government referred to consistently as "dark regime," "traitor gang."

ILLEGIB

UAR

III. Nasir expected to announce soon plan for centralizing UAR government, giving Cairo greater control over Syrian region.

A. Some preparatory steps by Nasir appear to be new land-reform law directed at breaking up the large estates in Syria, new state-of-emergency decree that will allow Nasir to exercise extraordinary powers, and transfer of potentially dissident Syrian military personnel to Egypt.

B. Nasir having trouble with several top officials in Syria and Egypt. These include vice presidents Hawrani and Asali of Syria and Baghdadi of Egypt. Nasir may drop them.

High-ranking Syrians now in Cairo: Sarraj, Hawrani, Asali, Nujari, Abd Al-Karim.

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1. Rumors persist that Nasir also quarreling with two of his closest advisors, Minister of State Ali Sabri, and Minister of Interior for Egypt Zaharia Muhi-al Din.

IV. Nasir has established Public Corporation for Petroleum Affairs to plan UAR petroleum policy. Will assure Cairo of control in all details over Syrian oil matters.

A. New petroleum authority may well emerge as instrument for implementation of Nasir's overall Arab oil policy toward Western oil companies.

1. Cairo has already styried Syrian negotiations with the American company (Tapline) operating the pipeline from Saudi Arabia, presumably in order to shift decisive negotiations to Cairo.

B. Spokesman for Egyptian-dominated Arab League announced in Cairo on 29 September that Kuwait, Middle East's largest oil producer, had applidd for membership. Not yet confirmed, but could set precedent for Bahrein and Qatar.

*Kuwait govt
secretariat denies
this intention.*

1. Kuwait's deputy ruler said in Cairo on 24 September that Kuwait was prepared join Arab League and contribute to an Arab development bank in very near future.
2. Britain empowered by treaty to handle Kuwait's foreign relations, but in Arab affairs Ruler, who feels accommodation with Nasir is necessary, has recently assumed an increasingly independent position. Foreign Office denies having been consulted on deputy ruler's action. British apparently think it best to do or say nothing.

IRAQ

V. In Baghdad Prime Minister Qasim has strengthened position by removing Deputy Prime Minister Arif who becomes ambassador to West Germany. *now the
last we heard of Arif*

A. Two other ministers favoring union with UAR also replaced.

1. Power struggle still unresolved. Not yet clear where Qasim stands. Qasim does not favor close union with Egypt. Has support from local Communists who may, in future, be in position to exert more influence.

2. Present move seems to favor moderates and more efficient administration may result.
- B. Announcement that land reform program will be implemented probably timed to deprive advocates of union with UAR of major popular issue.
 1. Land reform in Iraq will probably increase agitation against Shah of Iran, who depends chiefly on support of large landowners.
- C. Baghdad military authorities remain wary of Cairo's efforts to promote Iraqi arms deal with the Soviet Union.

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ALGERIA

- VI. Rebel Provisional Government of Algerian Republic, proclaimed 19 September, failed to achieve proclaimed objective--Moslem boycott of constitutional referendum in Algeria. French Army ensured large turnout with more than 95 percent yes votes.

A. Rebel regime has now been recognized by 15 Governments: all Arab governments, except Lebanon; by Communist China, North Korea, North Vietnam, Outer Mongolia, and Indonesia. Pakistan is considering recognition.

1. USSR and European satellites have not acted.

B. Regime has not yet announced location of government seat, but most "ministers" in Cairo. Premier and two ministers directing rebellion reportedly will establish themselves in Tunisia.

1. Rebel leaders claim to be resisting Cairo's influence. Nevertheless, much of material support probably comes from the UAR.

2. Presidium member Mukhitdinov, top Soviet spokesman on Middle Eastern and Arab affairs, conferred with Algerian rebel leaders while on nine-day visit to UAR.

C. Most Western European governments have declared they will not recognize regime. Rebel spokesman suggested that most helpful US attitude would be to abstain.

VII. French government declared recognition would be considered an "extremely unfriendly act." Nevertheless, France will not break relations with Morocco and Tunisia unless the two North African Governments give overt support, such as permitting Algerian "governmental agencies" to be established on their territory.

- A. Moroccans and Tunisians have indicated extreme irritation at Algerian rebel initiative.

VIII. Algerian rebels will continue guerrilla activities in Algeria and terrorism in France.

- A. At same time Rebel "president" Ferhat Abbas offered publicly on 26 September to negotiate "independence" with De Gaulle.
- B. De Gaulle maintains contacts with rebels, but unlikely to recognize them as sole representatives of Algeria and won't negotiate Algerian "independence." *De Gaulle arrives Algeria today.*
- C. It is possible that as a result of the Algerian vote, the rebels may be more tempted than previously to accept internal autonomy as step toward eventual independent state.

SAUDI ARABIA

IX. Crown Prince Faysal's frustration with budgetary problems has led him to charge Arabian-American Oil Company is indifferent to Saudi Financial difficulties.

- A. Faysal, apparently reflecting influence on his pro-Egyptian petroleum adviser, hinted to American ambassador that action to curtail Aramco's rights may be under consideration.
 - 1. Probably inspired by arbitration tribunal judgment that Saudi agreement with Onassis shipping interests was illegal as ARAMCO claimed.
- B. Ambassador gained impression Saudi relations with Bloc under consideration.

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Next 1 Page(s) In Document Exempt

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